

David A. Stockman, Director
Office of Management and Budget
Washington, D. C. 20503

Dear Dave:

Bill Casey has discussed with me specific concerns he has with the retirement age increase and reductions in annuities for early retirement for Federal employees proposed in the Fiscal Year 1984 Budget. I am informed that a detailed review of these concerns has been provided to your Staff.

Bill described a long-standing Agency retirement policy that encourages retirement at ages earlier than most of the government. He and his senior managers believe that lengthening the age at which employees can earn a full annuity would have a devastating, long-term impact on his key mid-level personnel and will seriously impair the CIA's ability to fulfill its mission. Of equal concern to him is the impact that these proposals would have on the Agency's special retirement program designed primarily to recognize the hardships and special nature of overseas intelligence service.

I am persuaded that Bill indeed would have a very serious problem if these proposals were enacted without considering CIA's special requirements. Accordingly, please ensure that an exemption from the retirement age increase and annuity reduction proposal is granted for CIA personnel, both those covered by the Civil Service Retirement Act and the CIA Retirement and Disability system.

I have asked Bill to get in touch with you directly on the best way to effect this exemption.

Sincerely,

Ronald Reagan